



# WEEKLY REPORT

## ARIZONA STATE RETIREMENT SYSTEM

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*For the week ending Friday, November 5, 2004*

Welcome to the ASRS Weekly Report. This report provides a briefing of news and notices important to member employers and your employees. Please direct comments or email address updates to [WeeklyReport@asrs.state.az.us](mailto:WeeklyReport@asrs.state.az.us) or phone (602) 308-5107.

**\*\*\* Please distribute or make this report available to your employees. \*\*\***

### ASRS News

As required by state statute, the Arizona State Retirement System adjusts contribution rates every two years to ensure the pension plan, retiree health insurance supplement plan and long-term disability plan remain fiscally sound.

Due to a variety of factors, including past benefit increases, mid-term investment returns and changing demographics of the ASRS membership, the ASRS projects an increase in contribution rates for the period from July 1, 2005 through June 30, 2007. These preliminary estimates show:

- **Retirement and Retiree Health Insurance Plans:** Increase from the current 5.2 percent of employee and employer contributions to a rate of approximately 7.75 percent.
- **Long Term Disability Plan:** Likely no increase from the current 0.50 percent of employee and employer contributions.
- **Combined Contribution Rate:** Increase from the current 5.70 percent to 8.25 percent.

The ASRS is awaiting the final 2004 Actuarial Valuation report, which is needed to finalize the new rate. The ASRS Board of Trustees is expected to take final action on a new contribution rate at its November Board meeting.

A special bulletin, along with the fall issue of the Employer Update newsletter, was recently mailed to all employer representatives, and contains further details. Or, you can visit our website at [www.asrs.state.az.us](http://www.asrs.state.az.us) to learn more.

Additional information will be forthcoming as the process for setting new contribution rates evolves.

### Let us help you plan your retirement

The Member Services Division of the ASRS conducts educational meetings available to all members. As our membership continues to grow, we continue to look to improve our services. Effective January 1, 2005, the ASRS will offer three different types of meetings to assist you on your path to retirement: **Group Meetings, Seminars and Service Purchase Meetings.**

**Group Meeting:** Are you within one year of retiring? In preparation for retirement, learn about potential monthly benefits and options available, completing retirement paperwork, health insurance, and returning to work.

**Seminar:** Open to all members. In preparation for retirement learn about ASRS organizational structure, benefits as an active, inactive and retired member, member responsibilities, how retirement benefits are calculated, wills and trusts and Social Security benefits.

**Service Purchase Meeting:** Open to all members. In preparation for retirement to learn about the Service Purchase process, types of service purchase, cost calculations, and payment options.

Reservations are required and can be made by calling our offices at (602) 240-2000 in Phoenix, (520) 239-3100 in Tucson and 1 (800) 621-3778 outside Phoenix and Tucson.

ASRS Group Meetings, Seminars, and Service Purchase Meetings schedules may also be found on our website at [www.asrs.state.az.us](http://www.asrs.state.az.us). Click on "Calendar" at the top of our homepage.

### **Employer Relations 101 Workshops Offered**

The ASRS Employer Relations division has developed a new workshop to assist employers in training new staff about their responsibilities in dealing with the retirement system. Subject matter includes determining membership, long term disability, contribution reporting, return to work rules and more.

These new workshops come after our successful Employer Conference series, which provided updated information to all our employer representatives. ER 101 is designed especially for those who haven't worked with the ASRS in the recent past. Come learn the basics and get to know your ASRS Employer Relations representatives!

**Workshop Dates:** Nov. 10 (filled), Dec. 6, 2004  
8:30 a.m. - 12:30 p.m.  
3300 N Central Ave., Phoenix, 10<sup>th</sup> floor Board Room

**Reservations:** Space is limited! Register today by sending an email with your name, title, employer name and telephone number to: **[WeeklyReport@asrs.state.az.us](mailto:WeeklyReport@asrs.state.az.us)**

### **Service Purchase Notice** **ATT: Employees who work less than a full 12-month work year**

The ASRS has reviewed and revised its practice for accepting Service Purchase requests for member employees who work less than a full 12-month year.

It had been ASRS practice to accept Service Purchase requests from members who were presently making contributions to the Retirement System. However, it was brought to the attention of the ASRS that some employees, especially school teachers, work full time but on a nine-month calendar. During the months that these employees were not working and not making contributions to the Retirement System, they were generally instructed that their Service Purchase request could only be processed during the months that they were contributing.

Service Purchase requests will now be accepted for these employees, under the terms of meeting all other eligibility criteria.

This notice is to advise members who may have been denied the opportunity to file a Service Purchase request under the circumstances described above that they may re-file their request, and may be eligible to purchase that service now, under the terms that existed when the initial inquiry was made. This opportunity to re-file a request will be extended only through Dec. 31, 2004 and must be accompanied by a "Service Purchase Confirmation Statement." This statement form may be found on the ASRS website under the category "Forms" and the subcategory "Other Forms."

Questions regarding this matter should be directed to the ASRS Member Service Division, which can be reached via email at [contactus@asrs.state.az.us](mailto:contactus@asrs.state.az.us), or by calling (602) 240-2000 in the Phoenix area, (520) 239-3100 in the Tucson area, or toll-free at 1(800) 621-3778.

## **Board & Committee Meetings**

- **ASRS Board of Trustees** – Friday, November 19, 8:30 a.m., ASRS Phoenix office, 3300 N. Central Ave., 10<sup>th</sup> floor Board Room.
- **Operations Review Committee** – Wednesday, November 24, 10:30 p.m., ASRS Phoenix office, 3300 N. Central Ave., 14<sup>th</sup> floor conference room.
- **External Affairs Review Committee** – Friday, December 3, 10 a.m., ASRS Phoenix office, 3300 N. Central Ave., 14<sup>th</sup> floor conference room.
- **Investment Review Committee** – Tuesday, December 7, 5:30 p.m., ASRS Phoenix office, 3300 N. Central Ave., 14<sup>th</sup> floor conference room.

*Note: All Board & Committee meetings are open to the public and your attendance is encouraged. Schedules, agendas and minutes of our meetings are posted on our website and are available at our Phoenix and Tucson offices.*